



## COUNCIL MINUTES

April 30, 2009

The City Council of the City of Mesa met in a Study Session in the lower level meeting room of the Council Chambers, 57 East 1st Street, on April 30, 2009 at 7:32 a.m.

### COUNCIL PRESENT

Mayor Scott Smith  
Alex Finter  
Dina Higgins  
Kyle Jones  
Dennis Kavanaugh  
Dave Richins  
Scott Somers

### COUNCIL ABSENT

None

### OFFICERS PRESENT

Christopher Brady  
Debbie Spinner  
Linda Crocker

#### 1. Review items on the agenda for the May 4, 2009 Regular Council meeting.

All of the items on the agenda were reviewed among Council and staff and the following was noted:

Conflict of interest: None

Items added to the consent agenda: None

Items removed from the consent agenda: 7d\*

\* See Study Session agenda item 8 (Items from citizens present).

#### 2. Hear a presentation, discuss and provide direction on the Arts & Cultural Department's budget including, but not limited to, the Arizona Museum for Youth and the Mesa Historical Museum.

Mesa Arts Center Executive Director Johann Zietsman displayed a PowerPoint presentation (A copy is available for review in the City Clerk's Office) and highlighted a series of issues that have recently impacted the Arts and Cultural Department. He reported that the Department, which includes the Arizona Museum for Youth (AMY), the Arizona Museum of National History (AZMNH) and the Mesa Arts Center (MAC), recently instituted various cost-cutting measures, including the implementation of a "shared resource model" with respect to maintenance and custodial services, marketing and exhibition installation.

Mr. Zietsman informed the Council that the AMY Friends, a private 501(c)3 non-profit board, would no longer be able to sustain its current level of financial support for the AMY. He stated that the Mesa Historical Society is similarly incapable of sustaining the MHM's operations beyond June 2009. Mr. Zietsman noted that the MHM is located in a historic building in Lehi, which has posed challenges for the museum with regard to the maintenance of the facility and also attracting visitors to the site.

Discussion ensued relative to staff's proposals to address the above-cited challenges; that the MHM would remain open through September 2009, after which time the AMY would expand its mission to include elements of Mesa's history and art; that as of July 1, 2009, the current MHM Director would join the AMY staff; that it is anticipated that the AMY would generate additional revenue when the "Play Ball: Cactus League Experience" exhibit, which is currently located at the MHM, is moved to the facility in February 2010; that items from the Lehi collection would be displayed in public spaces throughout the community; and that the remaining pieces would be stored in the Lehi facility and that staff would maintain the building until such time as future plans are established with respect to the collection.

Councilmember Finter acknowledged the efforts and hard work of the AMY Friends and the Mesa Historical Society. He stated that when the economy improves, he is hopeful that the City could reevaluate these issues and that the non-profits would once again have an opportunity to thrive in Mesa.

Councilmember Kavanaugh commented that the AMY Friends and the Mesa Historical Society are two valuable assets to the community and have successful track records in raising funds for the respective museums. He also complimented the two Boards and City staff for crafting a solution that would be beneficial both short-term and long-term for the community.

City Manager Christopher Brady stated that if the Council has no objections, staff would move forward with the proposals as outlined by Mr. Zietsman.

Mayor Smith stated that it was the concurrence of the Council that staff move forward with their proposals.

Mayor Smith commented that as a major landowner in the downtown area, the City of Mesa has a vested interest in ensuring that not only are its museums maintained, but also that they thrive and grow. He expressed support for staff's proposals and also acknowledged the AMY Friends and the Mesa Historical Museum for their many years of financial support and service to the community.

Vice Mayor Jones stressed the importance of the City maintaining its quality of life and cultural awareness and said that staff's proposals are "a good way" to keep those elements alive.

Mayor Smith thanked Mr. Zeitsman for the presentation.

3. Hear a presentation, discuss and provide direction on Energy Efficiency Conservation Block Grants - Stimulus.

Environmental & Sustainability Department Deputy Director Scott Bouchie displayed a PowerPoint presentation (A copy is available for review in the City Clerk's Office) and reported

that the Energy Efficiency and Conservation Block Grant (EECBG) is one of the programs under the American Recovery & Reinvestment Act (ARRA) of 2009 for which Federal funding is available. He explained that the U.S. Department of Energy has a budget of \$3.2 billion for energy efficiencies and noted that Mesa's allocation of the EECBG is \$4.2 million.

Mr. Bouchie briefly highlighted the goals of the program, which include a reduction of fossil fuel emissions, a reduction of the total energy use of the eligible entities (i.e., City, County State, Indian communities), and improved energy efficiency specifically in the building and transportation sectors.

Mr. Bouchie commented that although Mesa has been allocated \$4.2 million in EECBG funding, the City is still required to submit an application to the Department of Energy by June 25<sup>th</sup>. He reviewed the various components of the application and said that the Department of Energy has 120 days to review and approve the application. Mr. Bouchie also noted that Mesa would have 18 months from the time of approval to allocate the money (February 2011) and 18 months to spend the funds (August 2012).

Discussion ensued relative to the eligible expenses associated with the EECBG Program; that such items include, but are not limited to, the development of conservation strategy, building energy audits, renewable energy on City buildings, energy efficiency and conservation strategies for buildings and facilities, traffic signals and street lighting; and the process that staff considered for the program (i.e., "shovel ready" projects, long-term energy savings).

Mayor Smith noted that in all of staff's "stimulus dollars" presentations, the Council has given clear direction that they do not want to create situations in which Mesa uses stimulus monies to create an ongoing obligation for the General Fund after those monies are expended.

Mr. Bouchie assured the Council that his goal with the EECBG Program is to reduce the City's operating expenses with regard to its electric costs.

Mr. Bouchie continued with the presentation and highlighted various programs that staff has considered funding with the stimulus dollars. Those items include the following:

- Solar installation at the Central Arizona Project (CAP) Treatment Plant - \$900,000
- Energy Efficient City Buildings - \$1.8 million (i.e., Lighting, re-roofing, shading)
- Energy Efficient Street Lighting - \$1 million (Retrofit of street lights, LED installation pilot project)
- Transit Corridor Development Plan - \$300,000 (Improve energy efficiency through mixed-use, transit oriented development)
- Building and Utility Audits - \$250,000 (Considering solar development at City property and facilities)

Further discussion ensued relative to the availability of non-stimulus funding through Salt River Project (SRP) that could be used to conduct additional building audits in Mesa's SRP service area; and performance contracting.

Councilmember Finter encouraged staff to keep the stimulus dollars "close to home" by utilizing local contractors/professionals to perform the various services associated with the EECBG Program.

Councilmember Somers suggested that the City Auditor monitor the stimulus dollars that Mesa is awarded to ensure that they are spent within the directed timeline and do not negatively impact the General Fund.

Mayor Smith thanked Mr. Bouchie for the presentation.

4. Hear a presentation, discuss and provide direction on budget issues including, but not limited to:

a. Fees and Charges for Various City Departments

Budget Director Chuck Odom displayed a PowerPoint presentation (A copy is available for review in the City Clerk's Office) and highlighted a series of fee recommendations that were presented at the March 26, 2009 Audit & Finance Committee meeting. He stated that the anticipated revenue from the fees and charges would total \$2.4 million.

Mr. Odom briefly reviewed the fee recommendations for the Arts and Cultural Department, the Development & Sustainability Department, and the Environmental Programs Division. (See Attachment 1.) He noted that with respect to the Falcon Field Airport, there are a number of rate changes being recommended. (See Attachment 2.) Mr. Odom explained that of particular note, subsequent to the Audit & Finance Committee meeting, a rental car concession fee now includes components for "on airport" and "off airport."

Councilmember Higgins reiterated the concerns she expressed at the Audit & Finance Committee meeting regarding staff's proposal to provide a 20% discount for 20 or more tie-downs rented for large props (greater than 12,500 pounds), jets and helicopters.

Falcon Field Airport Director Corrine Nystrom responded that the airport already imposes a tie-down fee for 20 or more single engine or small twin engine aircrafts and said that the proposed fee would provide greater consistency if an entity wanted to rent open tie-downs for 20 or more jet aircraft, large aircraft or helicopters.

Councilmember Higgins further commented that the discount for the single-engine and small twin engine aircrafts should also be reevaluated.

Mr. Odom further spoke regarding the recommended fees and charges for the Library Department and the Parks, Recreation and Commercial Facilities Department. (See Attachment 3.)

Discussion ensued relative to the fact that it is anticipated that a discounted admission fee for senior citizens at Mesa's pools would be presented to the Parks and Rec Board next fiscal year for their approval; that Parks and Recreation staff would research a family rate for summer recreation activities (i.e., aquatics camp) to accommodate larger families with several children; and that the City is also seeking scholarship assistance from its Parks Foundation and other organizations in that regard.

Mr. Odom continued with his presentation and provided a short synopsis of the recommended fees and charges for the Energy Resources and Water Resources Departments (See Attachment 4.) and the proposed changes to the Terms & Conditions for the Sale of Utilities (See Attachment 5.).

City Manager Christopher Brady stated that unless otherwise directed by the Council, staff would include the above-referenced fees and charges in the proposed budget. He requested input from the Council regarding the tie-down fee that Councilmember Higgins referenced.

Mayor Smith concurred that the discounted tie-down fee is a valid issue that should be considered further, but said that it would be difficult to resolve the matter at this time. He commented that the item "is embedded" in a much larger issue at Falcon Field Airport that must be addressed. Mayor Smith suggested that the tie-down fee remain in the proposed budget as is, but said that the item would be "on the table" with all of the other discussions regarding Falcon Field.

Mayor Smith thanked staff for the presentation.

- b. Provide Direction on a Citywide Dial-a-Ride Policy

Mayor Smith stated that this item was continued to a future Study Session.

5. Acknowledge receipt of minutes of various boards and committees.

- a. Mesa Housing Authority Governing Board meeting held April 9, 2009
- b. Public Safety Committee meeting held March 23, 2009
- c. Transportation & Infrastructure committee meeting held April 6, 2009

It was moved by Councilmember Richins, seconded by Councilmember Kavanaugh, that receipt of the above-referenced minutes be acknowledged.

Carried unanimously.

6. Hear reports on meetings and/or conferences attended.

Vice Mayor Jones:	Pro's Ranch Market Grand Opening
Councilmember Higgins:	SolFocus Ribbon Cutting Ceremony
Councilmember Richins:	Service Award Celebration for City Employees

7. Scheduling of meetings and general information.

City Manager Christopher Brady stated that the meeting schedule is as follows:

Monday, May 4, 2009, TBA – Study Session

Monday, May 4, 2009, 5:45 p.m. – Regular Council Meeting

Saturday, May 9, 2009, 10:00 a.m. – City Hall at the Mall – Fiesta Mall

Councilmember Higgins noted that this weekend, Mesa Community College will host the Arizona Special Olympics and encouraged everyone to attend the event.

8. Items from citizens present.

Mayor Smith advised that several citizens were present in the audience who wished to address the Council regarding item 7d (Authorizing the City Manager to adopt regulations for the Safe and Efficient Operation of Falcon Field Airport) on the May 4, 2009 Regular Council meeting agenda. He explained that the normal procedure would be that the citizens would have an opportunity to address the Council that evening. Mayor Smith suggested, however, that the Council reopen their review of the agenda so that the citizens could address the Council at this time.

City Attorney Debbie Spinner clarified that 7d is a resolution that would be considered and voted on by the Council at the May 4<sup>th</sup> meeting.

Dennis Lambson, a Mesa resident and financial advisor/consultant to Structures, Inc., expressed a series of concerns that the proposed resolution is aimed at driving Sabena Air Training Center, Inc. out of business at Falcon Field Airport. He stated that if Sabena leaves the airport, millions of dollars in revenue would be lost and said that the City would be sued for that economic impact.

City Manager Christopher Brady responded that the City has engaged in conversations with representatives of Sabena on various issues, including its intention to adopt certain rules and regulations regarding the safe operation of the airport. He stated that he does not believe anyone has ever suggested that the City was attempting to discourage Sabena from conducting business or moving the company off the airport.

In response to a question from Mayor Smith, Ms. Spinner explained that the Council sets policy and the City Manager sets the rules and regulations to implement such policy. She stated that to ensure that there is transparency and a clear delegation of authority, staff recommends that the Council ask the City Manager, through this resolution, to proceed in setting the proper rules and regulations for the safe operation of Falcon Field Airport.

Mr. Brady advised that as Falcon Field Airport has grown with a greater diversity of tenants, it became apparent to the City that it was necessary to establish a more formal process regarding how the City conducts business at the facility.

Mayor Smith commented that his discussions with individuals around the airport are not simply focused on Sabena, but said that the operations of Sabena have brought to light certain issues that go beyond Sabena and speak to the evolution of the airport.

Joe Reilly, a representative of Reilly Aviation, LLC, which is located at Falcon Field Airport, questioned the language in the resolution that would give the authority to the City Manager to "adopt feasible and appropriate rules, regulations and fees deemed necessary to regulate, implement and enforce safe and efficient operations." He voiced concern that an individual who is not "intimately involved in the aviation community" would be given the authority to make decisions that might be in violation of Federal Aviation Administration (FAA) guidelines and could result in Falcon Field losing FAA funding.

In response to a question from Councilmember Kavanaugh, Deputy City Attorney Donna Bronski stated that the intent of the process is that the City Manager would be able to adopt



regulations after obtaining input from a community group (i.e., stakeholders, airport representatives, Sabena, neighbors) that has already been formed. She explained that it is anticipated that the community group would reach consensus on certain safety regulations; that such regulations would be recommended to the City Manager; and that the City Manager, in conjunction with the airport and the community, would present the new regulations to the Council.

In response to a question from Councilmember Somers, Ms. Bronski explained that this matter is an unusual case because of the FAA's involvement at the airport. She explained that normally, the City Manager would authorize and make rules and regulations through the City's department heads. She stated that in this instance, staff felt it was appropriate to exercise an over abundance of caution to make it clear (for the benefit of the FAA) that there has been a delegation of rule-making authority and that the Council was aware of it. Ms. Bronski added that there is always the political opportunity for codification at some later date and appeals by anyone to the Council if a citizen has concerns about any of the rules.

Councilmember Higgins commented that she received feedback from citizens who were unaware that the City Manager had the rule-making authority at Falcon Field Airport. She noted that this resolution would provide greater clarity in that regard.

Mayor Smith stated that John Manross, 2023 E. University Drive, #2, Tempe, submitted a speaker card indicating his opposition to the resolution, but did not wish to address the Council.

Samantha Hertzler, General Manager of Tango One Aviation, which is based at Falcon Field, expressed opposition to the City Manager being given the rule-making authority at Falcon Field Airport and requested that 7d be removed from the consent agenda. She explained that the newly formed Ad Hoc Committee has held only one meeting and stressed the importance of the group presenting additional information to the Council before they vote on the resolution.

Mayor Smith noted that the City Manager's Office, with the assistance of Assistant to the City Manager Natalie Lewis, has formed an Ad Hoc Committee that is comprised of business owners, pilots, neighbors and Sabena representatives, to work through a variety of issues that have not been discussed today. He stated that he is hopeful that the group can come up with certain recommendations that would be presented to the Council at a future date.

In response to a question from Councilmember Somers, Ms. Spinner explained that the resolution contains language that actually quotes the FAA rules and regulations. She reiterated that the resolution simply clarifies that the City Council is asking the City Manager to implement those rules and regulations.

Mr. Brady advised that there is language in the resolution that specifically addresses the City's ability to set rules for flight schools at Falcon Field.

Mayor Smith commented that Sabena's operations at Falcon Field have raised many issues to the surface, but stated that there are also other issues that have been "simmering" below the surface for a long time. He also acknowledged that the City has received noise complaints at Falcon Field for years and said that Sabena has raised those issues "out into the open." Mayor Smith added that any rules and regulations that are implemented at Falcon Field would apply equally to everyone at the airport.

Bob Hayes, a Mesa resident and a representative of Sabena Airline Training Center, offered a series of comments regarding language contained in various FAA documents. He stated that Sabena has always tried to respond to noise complaints and safety actions and advised that the company has already initiated several different procedures to quiet the neighborhood noise. Mr. Hayes noted that as a member of the Ad Hoc Committee, he looks forward to "clearing the air" and said that it is important to have an understanding between the group and Sabena. He added that Sabena is committed to achieving that goal.

Mayor Smith expressed appreciation that Sabena is willing to cooperate and work with the other members of the Ad Hoc Committee to come up with some reasonable solutions that would accommodate both Sabena's needs and the concerns of the neighbors. He also stated that on a personal note, as a pilot and someone who lives in the neighborhood, he is concerned when several student pilots in a pattern are doing touch and go late at night on a non-towered airport which, in his opinion, is a safety issue that Sabena could address through operational changes that would not affect the company's business.

Vice Mayor Jones inquired if it was really necessary to move forward with this delegation of authority even though such authority already exists. He suggested that item 7d be removed from the May 4<sup>th</sup> Regular Council meeting agenda and that the Ad Hoc Committee be given the opportunity to meet in an attempt to resolve these various issues.

Mayor Smith stated that it was the consensus of the Council that item 7d be removed from the May 4, 2009 Regular Council meeting agenda; that Mr. Brady and Ms. Lewis be delegated to work with the Falcon Field tenants through the Ad Hoc Committee to come up with certain safety rules and regulations; and that if there are any issues that require clarification, they can be brought back to the Council at any point in time.

Mayor Smith thanked everyone for their comments.

9. Adjournment.

Without objection, the Study Session adjourned at 9:23 a.m.

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SCOTT SMITH, MAYOR

ATTEST:

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LINDA CROCKER, CITY CLERK



I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Study Session of the City Council of Mesa, Arizona, held on the 30<sup>th</sup> day of April, 2009. I further certify that the meeting was duly called and held and that a quorum was present.

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LINDA CROCKER, CITY CLERK

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(attachments – 5)